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U.S. Tightening Rules To Protect Secret Data

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WASHINGTON, Nov. 9 — The Reagan Administration has begun putting in place a program intended to thwart Soviet intelligence operations in the United States, senior White House officials said.

President Reagan approved the program during a recent meeting of the National Security Council, and in an interview White House officials described several aspects that are not secret.

One is that Americans with access to secret information will be required to report all contacts or suspected contacts with intelligence officers from a hostile country. Also, employees of Soviet bloc commercial companies operating in the United States will no longer be allowed to operate without restriction.

Tight counterintelligence practices have long been in effect in the Soviet Union, where Government secrecy covers a far larger segment of public life than in the United States, and foreigners, including diplomats, journalists and businessmen, have been routinely regarded as potential spies.

Subject of Criticism

The United States' counterintelligence policies have recently been criticized as a result of espionage cases, particularly that of the Walker family spy ring, which operated for 20 years.

Senator Malcolm Wallop, Republican of Wyoming, a former member of the Senate Select Committee on Intelligence, said, "Our counterintelligence abilities are minimal to nonexistent."

In June, Mr. Reagan said improving counterintelligence was an important priority, and he ordered his staff to draft proposals.

The Senate Select Committee on Intelligence, the Senate Permanent Subcommittee on Investigations, other committees and a Defense Department commission have all been studying policy changes.

L. Britt Snider, the Defense Department's director of Counterintelligence and Security Policy, said the Pentagon study was the first requested by a Secretary of Defense in 30 years.

Meanwhile, some intelligence officials say they believe the changes announced last summer in reaction to the Walker spy ring are of little value.

Limitation of Access

In June, the Defense Department said it would cut by 10 percent the number of people cleared to handle secret materials, more than 4.3 million people at the time. At the Navy, the principal victim of the Walker spy ring, the number of clearances was to be cut by half.

On Wednesday, a Pentagon official said, "We have reached our goal of 10 percent." But he added that the Navy had not reached its 50 percent goal, and some Administration officials now say the idea was misguided.

"To a Soviet intelligence officer, that would be laughable," said an official involved in determining intelligence policy. "It was a waste of effort. Even if you cut the number by two-thirds, there would still be more than a million targets for the Soviets to recruit."

Mr. Snider said: "We did not have any illusions that this would stop espionage. It was purely a matter of trying to reduce the theoretical vulnerability by eliminating the clearances that were not even necessary."

'A Compromise'

White House officials say they do not expect the new program to eliminate espionage. One official called it "a compromise" between what is effective and what is practical in an open society.

These are among the aspects of the Administration's new program:

¶ Government communications will be made more secure so that they cannot be intercepted from listening stations at Soviet embassies, consulates and other offices. The Government has already begun installing 500,000 secure telephones.

¶ The number of Soviet representatives allowed to in the United States, one-third of them believed to be spies, will be reduced. Diplomats working for other Soviet-bloc countries, many also believed to be spies, will no longer be allowed to travel without restriction.

¶ Employees of the 67 Soviet-bloc commercial companies in the United States will be given the same travel and other restrictions already applied to Soviet diplomats.

¶ The White House will consider revising some agreements with the Soviet Union on the ground that they may be used for intelligence purposes. For example, an official said, some of the people coming to the United States under a student-exchange agreement are believed to have intelligence-related assignments.

¶ The Government will try to educate the public about the intelligence threat. The education campaign will be directed particularly at military contractors and others who might be targets of Soviet spies.

¶ Periodic reinvestigations of Americans who hold high-level security clearances will be improved. At the Defense Department, people given top secret clearance are supposed to be reinvestigated every five years, but in fact the reinvestigations are conducted about once every 17 years.

¶ Physical security used to protect highly secret materials will be improved.

¶ Anyone with access to secret material who makes contact with a suspected agent will be required to report that to security officials.

¶ Government officials will begin introducing information about Soviet intelligence practices into discussions and briefings on foreign policy.

¶ The United States will renovate or replace more than 250 of its embassies and consulates around the world to protect them against terrorists and spies. In Soviet-bloc countries, for example, most American embassies adjoin other buildings, giving intelligence officers the chance to plant listening devices in the walls.

'Going to Do More'

Senator Dave Durenberger, Republican of Minnesota, the chairman of the Senate intelligence committee, said several of these moves were similar to ideas the committee had proposed and added, "We are going to do more."

Senator William V. Roth Jr., Republican of Delaware, the chairman of the Permanent Subcommittee on Investigations, called the plan "a good step forward."

He added, however, that "I see some need for further actions," including restricting the activities of Soviet journalists in the United States. Many of them are believed to be spies.